



Department of Justice

FOR IMMEDIATE RELEASE
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AT
(202) 616-2771
TDD (202) 514-1888

**JUSTICE DEPARTMENT CLEARS PROPOSAL TO ALLOW INTERMODAL MARKETING
COMPANIES TO IMPROVE EFFICIENCY IN THE TRANSPORT BUSINESS**

WASHINGTON, D.C. -- The Justice Department's Antitrust Division has approved the request of four transportation companies to make joint proposals to truck and rail carriers that could make it easier, faster and less costly to move goods.

The four companies, GST Corporation of Memphis, Tennessee, Manufacturers Consolidation Services Inc. also of Memphis, Rail Van Inc. of Worthington, Ohio, and Riss Intermodal of Orinda, California, propose to establish an Intermodal Committee on Efficiency that will enable them to make suggestions as to how to improve efficiency to trucking and rail carriers with whom they deal with in providing intermodal transport.

Intermodal transportation refers to the combined use of transportation methods such as rail, highway, air and water to move products or containerized cargo from one place to another. These marketing companies coordinate intermodal freight movements. They quote a single rate to the shipper and make all the necessary arrangements for pick up, consolidation, storage, transport, and delivery of the shipper's intermodal traffic.

The Department's position was stated in a business review letter from Anne K. Bingaman, Assistant Attorney general in charge of the Antitrust Division, to counsel for the companies.

Noting that the Intermodal Committee on Efficiency's by-laws prohibited its members from discussing among themselves prices they charge shippers or pay to carriers, or from jointly refusing to deal with any carrier, Bingaman said that under the circumstances the proposal should not have any anticompetitive effect.

Under the Department's Business Review Procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Suite 215, Liberty Place, 325 7th Street, N.W., Department of Justice, Washington, D.C. 20004. After a 30-day waiting period, the documents supporting the business review will be added to the file.

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